

Second Amendment to Statement of Work #1

This Second Amendment to the Statement of Work #1 (the “Amendment” or “Second Amendment”) is made and entered into on January 1, 2023 (the “Effective Date”), by and between Virta Medical P.C. and its affiliates (“Virta” or “Company”), and Tippecanoe County Government (“Customer”). Customer and Virta shall be referred to individually as “Party” and collectively as the “Parties”.

WHEREAS, on March 1, 2018, Virta and Customer entered into the Statement of Work (“SOW”) #1, which is part of and incorporated in the Provider Services Agreement, effective as of March 5, 2018 (together, the Statement of Work and Provider Services Agreement are the “Agreement”, and as amended), under which Virta agreed to provide Services to Customer.

WHEREAS, Virta and Customer mutually desire to amend the Statement of Work to update certain terms and conditions, effective as of the Effective Date.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Virta and Customer hereby mutually covenant and agree as follows:

1. Except as otherwise provided herein this Second Amendment, all terms and conditions of the Agreement shall remain in full force and effect.
2. The Parties agree that the Statement of Work #1’s Exhibit A – Pricing Exhibit is hereby replaced in its entirety with the Exhibit A attached hereto, and shall include the terms and conditions outlined below.
3. All other terms and conditions in the Agreement shall remain in effect.
4. The Recitals and terms contained in this Second Amendment contain the entire understanding of the parties hereto and neither it, nor the rights and obligations hereunder, may be changed, modified, or waived except by an instrument of writing that is signed by both Parties. In the event any conflicts between the terms, conditions, or provisions of the Agreement, and the terms, conditions, and provisions of this Second Amendment arise, this Second Amendment shall control.
5. Facsimile acceptance. A signature to this Second Amendment, transmitted by one signatory to the other by facsimile or other electronic transmission shall be recognized as a valid acceptance of this Second Amendment.

IN WITNESS WHEREOF, Virta and Customer have executed this Second Amendment as of the day and year first above written.

Agreed to and Accepted by:

Agreed to and Accepted by:

VIRTA MEDICAL, P.C.

TIPPECANOE COUNTY GOVERNMENT

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A – PRICING EXHIBIT

TIPPECANOE COUNTY GOVERNMENT / VIRTa MEDICAL P.C.

1. SERVICES

VIRTa SERVICES	Diabetes Reversal	Diabetes Management	Prediabetes Reversal	Obesity Reversal
Service(s) Selected	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Launch Date	January 1, 2023		January 1, 2023	January 1, 2023
Estimated Number of Covered Persons	352		352	352
Pricing Per Enrolled Member Per Month (PEMPM)	First twelve (12) months: \$234/month Year 2*: \$199	N/A	\$149	\$149
Implementation Fees (invoiced within 30 days of contract execution)	Waived			
Integration Fees (invoiced within 30 days of billable integration)	N/A			
Billing Type	Invoice Billing			

*Rates subject to change, implemented on a member-by-member basis, at anniversary of enrollment.

Specific terms for the Services, and additional services as applicable, including eligibility requirements, a list of Excluded Medical Conditions and Performance Guarantees, are set forth in the attached Service Schedule(s).

2. FEES

Customer shall incur the applicable fees for the Service(s) for each Enrolled Member on the Enrollment Date and on a monthly basis thereafter and the applicable Implementation Fees and Integration Fees (collectively, “Fees”). All Implementation Fees and Integration Fees are nonrefundable. Virta reserves the right to change Fees with prior written notification to Customer. All PEMPM Fees in this SOW shall be adjusted by no more than 3% on an annualized basis over the term of this Agreement, based on the Launch Date anniversary, and applicable to all members. Fees unable to be collected via Claims Billing will be billed by direct Invoice to Customer.

3. PERFORMANCE GUARANTEES – INTENTIONALLY OMITTED.

4. MINIMUM BILLING – INTENTIONALLY OMITTED.

5. CARE PLAN ADHERENCE REQUIREMENTS

Customer acknowledges that Enrolled Members of the Diabetes Reversal, Prediabetes Reversal, and Obesity Reversal Services must meet adherence requirements, including being responsive to their care team’s outreach and logging required data points into the Virta app in order to remain enrolled in such Services. If such an Enrolled Member fails to meet the adherence requirements, Virta will contact them and attempt to re-engage them. If the Enrolled Member continues to fail to meet the adherence requirements, Virta will follow AMA guidelines for discharge and release the Enrolled Member from the applicable Service within thirty (30) days. If Virta in its sole discretion deems it necessary to discharge such an

Enrolled Member for safety reasons, Virta will contact the Enrolled Member and transition their care back to their outside provider as soon as safely possible.

6. BENEFIT COMMUNICATIONS – INTENTIONALLY OMITTED.

IN WITNESS WHEREOF, the parties hereto have executed this exhibit as of the Effective Date.

Agreed to and Accepted by:

VIRTA MEDICAL, P.C.

Agreed to and Accepted by:

TIPPECANOE COUNTY GOVERNMENT

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE 1 DIABETES REVERSAL: SERVICE SCHEDULE

1. ELIGIBILITY REQUIREMENTS FOR DIABETES REVERSAL

- Age: 18-79 Years Old
- One or more of:
 - Laboratory evidence of Type 2 Diabetes: A1c lab value ≥ 6.5 OR Fasting plasma glucose ≥ 126 , OR 2-hour plasma glucose during a 75-g oral glucose tolerance test >200 ;
 - On Diabetes Prescription Medication listed below other than Metformin, a GLP-1 agonist, and/or an SGLT-2 inhibitor;
 - A documented diagnosis of Type 2 Diabetes

2. LIST OF EXCLUDED MEDICAL CONDITIONS FOR DIABETES REVERSAL

The Virta Clinicians will evaluate whether an exclusion applies, taking into consideration each applicant's unique situation and making the determination based on safety. Virta reserves the right to update this non-exhaustive list of excluded conditions at any time and to exclude individuals with medical contraindications in the sole discretion of its treating licensed medical Providers

- Advanced heart failure
- Advanced chronic kidney disease
- Advanced liver disease
- Psychiatric disorders with psychotic features, active suicidal ideation, active mania, or impaired self-care
- Advanced neurologic disease resulting in unreliable compliance with the Virta care plan
- Type 1 diabetes
- Certain metabolic disorders (e.g., carnitine disorders, glycogen storage disease)
- Pregnant and breastfeeding women
- Patients using an insulin pump
- Pancreatic insufficiency or other gastrointestinal disorders causing significant fat malabsorption
- Conditions treated with Exclusion Medications, including without limitation Desmopressin (DDAVP®)

3. PERFORMANCE GUARANTEES FOR DIABETES REVERSAL

a. Applicability

The Performance Guarantee applies to 100% of the aggregate Per Enrolled Member Per Month fees incurred for Diabetes Reversal over the course of the Measurement Period.

b. Clinical & Financial Performance Guarantees

Diabetes Reversal has three (3) Performance Guarantees: (i) A1c reduction; (ii) Weight reduction; and (iii) Diabetes Prescription reduction. Each of these three Performance Guarantees will be calculated independently and comprise up to one-third (1/3) of the total possible Credit of the Diabetes Reversal Fees incurred in the Measurement Period. Baseline to be adjusted for overall prescription cost Trend.

Performance Guarantee	Performance Guarantee Target	Minimum Attributed Member Count	Fees at Risk (%)
A1c Reduction	≥ 1.0 Reduction	50+	33 1/3%
Weight Reduction	$\geq 5.0\%$ weight reduction	50+	33 1/3%

Rx Reduction	≥ 40% Diabetes Rx cost savings/dosage reduction	300+/50 - 299	33 1/3%
Total			100%

(i) A1c Reduction Performance Guarantee. Solely for Attributed Members in the Diabetes Reversal Service whose Baseline A1c is greater than or equal to 6.5 and provided that there are at least fifty (50) such Attributed Members, the average **reduction in A1c** levels (From Baseline A1c to Treatment A1c) will be greater than or equal to **1.0**. If Treatment A1c is not available for an Enrolled Member, such Member will not be included in any performance guarantee calculations. Failure to meet this Performance Guarantee over the Measurement Period will result in a pro rata Credit to Customer of up to **one-third (1/3)** of the Diabetes Reversal Fees incurred in the Measurement Period.

(ii). Weight Reduction Performance Guarantee. Solely for Attributed Members in the Diabetes Reversal Service whose BMI is greater than or equal to 30 and provided that there are at least fifty (50) such Attributed Members, the total **reduction in weight** of the Attributed Members (from Baseline Weight to Treatment Weight) divided by the total Baseline Weight of the Attributed Members will be greater than or equal to **5%**. If no Baseline Weight is available for an Enrolled Member such Enrolled Member will not be included in any performance guarantee calculations. Failure to meet this Performance Guarantee over the Measurement Period will result in a pro rata Credit to Customer of up to **one-third (1/3)** of the Diabetes Reversal Fees incurred in the Measurement Period.

(iii) Diabetes Prescription Reduction Performance Guarantee. Provided that there are at least three hundred (300) Attributed Members in the Diabetes Reversal Service, and the Customer can provide a single Rx historical claims file (including Rx data) and historical eligibility file for reconciliation, the average **reduction in cost** of Diabetes Prescription Drugs listed below for the Attributed Members will be greater than or equal to **40%** over the Measurement Period. Performance guarantee calculations will only include Diabetes Prescription Drugs that the Enrolled Member was prescribed at the time of enrollment. Alternatively, provided that there are at least fifty (50) Attributed Members in the Diabetes Reversal Service, the average **reduction in dosage** of Diabetes Prescription Drugs listed below (excluding Biguanides) for the Attributed Members will be greater than or equal to **40%** over the Measurement Period. For ASO Plans, Virta will perform calculations by way of dosage reduction and aggregated Performance Guarantees. The inability to provide claims data in a timely manner (whether by Customer, its vendors, or third-party carriers) will automatically default PG analyses to Virta's dosage-based model (if available). Failure to meet this Performance Guarantee over the Measurement Period will result in a pro rata Credit to Customer of up to **one-third (1/3)** of the Diabetes Reversal Fees incurred in the Measurement Period.

4. PERFORMANCE GUARANTEE DIABETES PRESCRIPTION DRUG/SUPPLY LIST*

- Alpha-Glucosidase Inhibitors
- Amylinomimetics
- Biguanides (e.g., metformin)
- Dipeptidyl Peptidase-4 (DPP-4) Inhibitors
- Glucagon-Like Peptide-1 (GLP-1) Receptor Agonists
- Dual GLP-1 Receptor and Glucose-Dependent Insulinotropic Polypeptide (GIP) Receptor Agonist
- Insulin
- Meglitinide Analogues
- Sodium-Glucose Co-Transporter 2 (SGLT2) Inhibitors
- Sulfonylureas
- Thiazolidinediones
- Combination Medications
- DPP-4 Inhibitor-Biguanide Combinations
- DPP-4 Inhibitor-Thiazolidinedione Combinations
- Insulin-GLP-1 Receptor Agonist Combinations

- SGLT2 Inhibitor - DPP-4 Inhibitor Combinations
- SGLT2 Inhibitor-Biguanide Combinations
- Sulfonylurea-Biguanide Combinations
- Thiazolidinedione-Biguanide Combinations
- Diabetic Supplies
- Glucose Monitoring Supplies
- Insulin Administration Supplies

** Performance Guarantee is not in effect for a medication where the patient has a non-glycemic indication for that medication*

SCHEDULE 2
DIABETES MANAGEMENT: SERVICE SCHEDULE

1. ELIGIBILITY REQUIREMENTS FOR DIABETES MANAGEMENT

- Age: \geq 18 Years Old
- A self-reported, documented diagnosis of Type 1 or Type 2 diabetes

2. LIST OF EXCLUDED MEDICAL CONDITIONS FOR DIABETES MANAGEMENT

- If not under the care and oversight of a primary care provider or endocrinologist for diabetes medical advice and care, Member should not enroll

3. PERFORMANCE GUARANTEE FOR DIABETES MANAGEMENT

- Not applicable

SCHEDULE 3 PREDIABETES REVERSAL: SERVICE SCHEDULE

1. ELIGIBILITY REQUIREMENTS FOR PREDIABETES REVERSAL

Age: 18-79 Years Old

- One of:
 - Baseline A1c lab value from 5.7 to 6.4 inclusive;
 - A documented diagnosis of prediabetes;
 - Fasting Blood Glucose level of 100-125 mg/dL or 2h Oral Glucose Tolerance level of 140-199 mg/dL;
 - Not on diabetes medication other than metformin (unless on diabetes medication for non-glycemic indications).

2. LIST OF EXCLUDED MEDICAL CONDITIONS FOR PREDIABETES

The Virta Clinicians will evaluate whether an exclusion applies, taking into consideration each applicant's unique situation and making the determination based on safety. Virta reserves the right to update this non-exhaustive list of excluded conditions at any time and to exclude individuals with medical contraindications in the sole discretion of its treating licensed medical Providers.

- Advanced heart failure
- Advanced chronic kidney disease
- Advanced liver disease
- Psychiatric disorders with psychotic features, active suicidal ideation, active mania, or impaired self-care
- Advanced neurologic disease resulting in unreliable compliance with the Virta care plan
- Type 1 diabetes
- Certain metabolic disorders (e.g., carnitine disorders, glycogen storage disease)
- Pregnant and breastfeeding women
- On an insulin pump
- Pancreatic insufficiency or other gastrointestinal disorders causing significant fat malabsorption
- Conditions treated with Exclusion Medications, including without limitation Desmopressin (DDAVP®)

3. PERFORMANCE GUARANTEE FOR PREDIABETES REVERSAL

a. Applicability

The Performance Guarantee applies to 100% of the aggregate Per Enrolled Member Per Month fees incurred for Prediabetes Reversal over the course of the Measurement Period.

b. Clinical & Financial Performance Guarantees

Prediabetes Reversal has one (1) Performance Guarantee: (i) Weight reduction, comprising up to 100% of the total possible Credit of the Prediabetes Reversal Fees incurred in the Measurement Period.

Performance Guarantee	Performance Guarantee Target	Minimum Attributed Member Count	Fees at Risk (%)
Weight Reduction	≥ 5.0% weight reduction	50+	100%
Total			100%

(i) Weight Reduction Performance Guarantee. Solely for Attributed Members in the Prediabetes Reversal Service whose BMI is greater than or equal to 30 and provided that there are at least fifty (50) such Attributed Members, the total **reduction in weight** of the Attributed Members (from Baseline Weight to Treatment Weight) divided by the total Baseline Weight of the Attribute Members will be greater than or equal to **5%**. If no Baseline Weight is available for an Enrolled Member such Enrolled Member will not be included in any performance guarantee calculations. Failure to meet this Performance Guarantee over the Measurement Period will result in a pro rata Credit to Customer of up to **100%** of the total Prediabetes Reversal Fees incurred in the Measurement Period.

SCHEDULE 4

OBESITY REVERSAL: SERVICE SCHEDULE

1. ELIGIBILITY REQUIREMENTS FOR OBESITY REVERSAL

- Age: 18-79 Years Old
- Enrolled Members whose Body Mass Index (“BMI”) is greater than or equal to 30.

2. LIST OF EXCLUDED MEDICAL CONDITIONS FOR OBESITY REVERSAL

The Virta Clinicians will evaluate whether an exclusion applies, taking into consideration each applicant’s unique situation and making the determination based on safety. Virta reserves the right to update this non-exhaustive list of excluded conditions at any time and to exclude individuals with medical contraindications in the sole discretion of its treating licensed medical Providers.

- Advanced heart failure
- Advanced chronic kidney disease
- Advanced liver disease
- Psychiatric disorders with psychotic features, active suicidal ideation, active mania, or impaired self-care
- Advanced neurologic disease resulting in unreliable compliance with the Virta care plan
- Type 1 diabetes
- Certain metabolic disorders (e.g., carnitine disorders, glycogen storage disease)
- Pregnant and breastfeeding women
- Patient on insulin pump
- Pancreatic insufficiency or other gastrointestinal disorders causing significant fat malabsorption
- Conditions treated with Exclusion Medications, including without limitation Desmopressin (DDAVP®)

3. PERFORMANCE GUARANTEE FOR OBESITY REVERSAL

a. Applicability

The Performance Guarantee applies to 100% of the aggregate Per Enrolled Member Per Month fees incurred for Obesity Reversal over the course of the Measurement Period.

b. Clinical & Financial Performance Guarantees

Obesity Reversal has one (1) Performance Guarantee: (i) Weight reduction, comprising up to 100% of the total possible Credit of the Obesity Reversal Fees incurred in the Measurement Period.

Performance Guarantee	Performance Guarantee Target	Minimum Attributed Member Count	Fees at Risk (%)
Weight Reduction	≥ 5.0% weight reduction	50+	100%
Total			100%

(i) Weight Reduction Performance Guarantee. Solely for Attributed Members in the Obesity Reversal Service whose BMI is greater than or equal to 30 and provided that there are at least fifty (50) such Attributed Members, the total **reduction in weight** of the Attributed Members (from Baseline Weight to Treatment Weight) divided by the total Baseline Weight of the Attribute Members will be greater than or equal to **5%**. If no Baseline Weight is available for an Enrolled Member such Enrolled Member will not be included in any performance guarantee calculations. Failure to meet this Performance Guarantee over the Measurement Period will result in a pro rata Credit to Customer of up to **100%** of the total Obesity Reversal Fees incurred in the Measurement Period.

STATEMENT OF WORK DEFINITIONS

“Administrative Services Only” or “ASO” means an arrangement in which a company funds its own employee benefit plan, such as a health insurance program while purchasing only administrative services from the insurer.

“AMA” means the American Medical Association.

“Applicable Law” shall mean the applicable federal, state or local statute, regulation or guidance promulgated by an agency, regulatory or licensing body or court order.

“Attributed Member” shall mean, for a given Measurement Period, any Enrolled Member who has been Enrolled in a given Service for at least six (6) months.

“Baseline A1c” is an Enrolled Member’s A1c that is recorded prior to the Enrollment Date of the Services.

“Baseline Monthly Prescription Claims Cost” is calculated by taking the average monthly Diabetes Specific Pharmacy Costs for all Attributed Members over the twelve-month period prior to each Attributed Member’s Enrollment Date, when claims data is provided.

“Baseline Weight” is the first weight measurement recorded by Virta after the members’ Enrollment Date.

“Covered Person” is the person entitled to receive benefits under programs offered and/or administered by Customer, and/or its subsidiaries and/or affiliates, including by way of example employees, spouses, dependents, etc.

“CPT” means Current Procedural Terminology and is a registered trademark of the AMA.

“Credit” means a forward-looking offset Virta provides to Customer (for direct billing) based on lack of achievement of the Performance Guarantees during any Measurement Period provided in a Services Schedule.

“Diabetes Prescription Drugs” means those drugs set forth in a SOW, when prescribed for a diabetes indication.

“Diabetes Specific Pharmacy Cost” means the sum of the claims amount paid by plan for Attributed Members for Enrolled Member Diabetes Prescription Drugs.

“eA1c Reading” means a value derived using Virta’s correlation/prediction algorithms as applied to Enrolled Member-reported blood glucose reading(s) on an FDA-approved meter.

“Eligibility Requirements” means the specific eligibility requirements for each Service listed in a Service Schedule, which may be updated from time to time in Virta’s sole discretion.

“Eligible Person” means a Covered Person with an eligible diagnosis (such as pre-diabetes, diabetes, obesity, etc.).

“Employer” means an employer of a Covered Person or Enrolled Member.

“Enrolled Member” is the Covered Person who elects to participate in Service(s) selected by Customer on a SOW. Should a member disenroll before becoming an Enrolled Member, Virta reserves the right to bill Customer a one-time charge for such member equal to one (1) month of a member’s PEMPM fees to recoup costs, which include but are not limited to, clinical intake, laboratory tests, and supplies.

“Enrollment Date” means the date upon which an Enrolled Member has met coverage eligibility and engaged in an Episode of Care.

“Episode of Care” means any service provided by Virta in offering its care plan to Covered Persons, including lab collection, clinical intake, provider visit, medical approval, or other value-add by Virta.

“Excluded Medical Conditions” means the conditions listed in the applicable SOW for which the Services are contraindicated.

“FDA” means the U.S. Food and Drug Administration.

“Health Plan” means an insurance company, health maintenance organization or other organization that provides or pays the cost of medical care.

“Implementation Fees” means the fees charged by Virta to the Customer associated with a new or additional implementation of Services, or related activities performed by Virta.

“Integration Fees” means the fees charged by Virta to the Customer associated with switching between direct and claims billing, switching health plans, modifying or adding data feeds or exchanges, partnering with new technology platforms, or related activities performed by Virta.

“Launch Date” means the date upon which the Virta Services are first made available to Customer and/or its Enrolled Members.

“Measurement Period” is the time period over which Performance Guarantees are measured, as defined in the applicable SOW.

“Measurement Period Fees” means the fees for the Enrolled Members during the Measurement Period that will be at risk for a failure to meet a Performance Guarantee.

“Measurement Period Monthly Rx Claims Cost” is the sum of the Attributed Members’ Monthly Diabetes Specific Pharmacy Costs during the Measurement Period.

“Per Enrolled Member Per Month” or “PEMPM” means the pricing stated in a SOW for a Service for each Enrolled Member for each month.

“Performance Guarantees” or “PGs” are the clinical and financial targets outlined in a Service Schedule attached to a SOW for the applicable Service. Different Performance Guarantees apply to each Service. Each Performance Guarantee is subject to a *pro rata* Credit, of the aggregate Per Enrolled Member Per Month/Year fees paid for the Measurement Period of the Performance Guarantee up to 100% of such fees

during each Measurement Period as outlined in the Service Schedule. For the avoidance of doubt, PGs may be grouped, solely at the discretion of Virta, based on tiers or lines of business.

“Reconciliation” is the process after each Measurement Period of determining if any Credit is due based on achievement or lack thereof of the Performance Guarantees in a Service Schedule.

“Reconciliation Period” is the period following the end of a Measurement Period in which the Reconciliation is completed. For calculation of the Diabetes Drug Prescription Cost Reduction Performance Guarantee, claims are required that were incurred during the Measurement Period and paid anytime up to and including 90 days after the end of the Measurement Period. Within one hundred and eighty (180) days after the end of the Measurement Period, the Customer will provide claims data (including eligibility, Rx and Medical claims data) to Virta. The Reconciliation Period begins on the day Virta gets all the claims data necessary to calculate the Performance Guarantees. Within sixty (60) days after the beginning of the Reconciliation Period, Virta will deliver an analysis of the Performance Guarantees to Customer. The Customer then has sixty (60) days to accept the results and/or perform an audit of the results after which point Credit audit rights shall expire. Failure to provide claims data in a timely manner will automatically default PG analyses to Virta’s dosage-based model (if available).

“Services” means one or more of the services offered by Virta, as selected in a SOW, including but not limited to the following: (i) Diabetes Reversal; (ii) Diabetes Management; (iii) Pre-Diabetes Reversal; and (iv) Obesity Reversal.

“Service Schedule(s)” means the schedule(s) attached to a SOW that outline the Eligibility Requirements, marketing, billing and Performance Guarantees for each Service.

“Trend” is the annual cost increase for diabetes management drugs on a per Member basis. This factor adjusts for observed patterns in cost increases for a typical diabetic population driven by increased ingredient costs, increased prescribing of higher cost novel drugs, and increases in overall utilization. From 2012 to 2017, the average annual cost increase was 8.8%. Virta will evaluate Trend on an annual basis and use more recent Trend in calculations.

“Treatment A1c” is an Enrolled Member’s A1c measurement that is recorded during the period between thirty (30) days prior to the end of the Measurement Period and sixty (60) days after the Measurement Period. If there is more than one measurement in that period, it would be the measurement closest to the end of the measurement period. If no lab A1c measurement is available during the measurement period, an eA1c Reading may be used.

“Treatment Weight” is an Enrolled Member’s weight that is recorded during the period between thirty (30) days prior to the end of the Measurement Period and sixty (60) days after the Measurement Period. If there is more than one measurement in that period, it would be the measurement closest to the end of the measurement period.